

Steve Westly California State Controller



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WESTLY CALLS SEC PROPOSAL "GOOD FIRST STEP"

Sacramento, October 8, 2003 – State Controller Steve Westly made the following comment today regarding the Securities and Exchange Commission's proposal on the selection of corporate directors.

"This proposal is a good first step. I commend Chairman Donaldson and the Commissioners for acting quickly to reform the standards for proxy access. We're all waiting to see the specific standards for triggering the new rules.

"My office will work closely over the next 60 days with institutional investors across the country to solicit their feedback on the proposed rule. Now is the time to provide constructive suggestions to reach what will be a national solution on standards for proxy resolutions.

"The final rule must give investors reasonable ability to nominate independent directors to provide checks and balances in corporate boardrooms."

The State Controller serves as California's Chief financial Officer and is one of two statewide officers serving on both CalPERS and CalSTRS, two of the largest pension funds in the world. In addition, the State Controller serves as California's Chief Tax Officer, chairing the Franchise Tax Board and serving as the only statewide official on the Board of Equalization. Steve Westly, the former Senior Vice President of eBay and faculty member at the Stanford Business School, was elected in November 2002.

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